AEM Holdings Ltd.
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For Immediate Release

Higher AI Test Demand Drives Up AEM's 1H Profits, FY2026 Guidance Increased to S$630M – S$680M and Declares Interim Dividend

- 1H2026 revenue rose 29.9% year-on-year to S$247.2 million, led by the ramp of the Group's fabless AI / HPC customer, now its largest revenue contributor for the period
- 1H2026 PBT margin widened to 15.5%, up 13.4 percentage points year-on-year, on operating leverage as volumes scale. Earnings Per Share ("**EPS**") increased nearly tenfold to 9.7 cents from 0.98 cents in 1H2025
- The Group received orders for its flagship AMPS platform from its AI / HPC fabless and PC / Foundry customers, which have brought the AMPS backlog to over S$400 million as of publication
- The Group raised FY2026 revenue guidance to a range of S$630 million to S$680 million from the previous range of S$550 million to S$600 million
- The Group expects full-year EPS to be in the range of 24.5 to 27.5 cents per share
- The Group declared an interim dividend of 2.4 cents per share payable on 8 September 2026

Singapore, 12 August 2026 – AEM Holdings Ltd. (**"AEM"** or **"the Group"**), a global leader in test innovation, today announced its financial results for the six months ended 30 June 2026 ("**1H2026**").

The Group delivered its fourth consecutive quarter of net profit growth, and its third consecutive quarter of revenue growth. Growth was led by the production ramp-up of the Group's fabless AI / HPC customer, which increased the share of Group revenue contributed by Test Cell Solutions ("**TCS**") and progressively improved profitability as fixed costs were absorbed across higher volumes.

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Financial Overview

Financial Highlights (S$ '000)	1H 2026	1H 2025	Change (%)	2Q 2026	1Q 2026	Change (%)
Revenue	**247,207**	190,257	*29.9*	***130,347***	*116,860*	*11.5*
Profit before tax ("**PBT**")	**38,208**	3,944	*868.8*	***20,386***	*17,822*	*14.4*
PBT margin	**15.5%**	2.1%	*13.4 ppts*	***15.6%***	*15.3%*	*0.3 ppts*
Net profit	**30,791**	3,156	*875.6*	***16,444***	*14,347*	*14.6*
Net profit margin	**12.5%**	1.7%	*10.8 ppts*	***12.6%***	*12.3%*	*0.3 ppts*

** ppts: Percentage Points*

Revenue increased 29.9% year-on-year to S$247.2 million in 1H2026, driven by a 191.7% year-on-year increase in revenue from the Group's fabless AI / HPC customer and a higher contribution from TCS. Revenue rose 11.5% quarter-on-quarter while profit before tax ("**PBT**") rose 14.4% over the same period, supported by demand for solutions used in high-power AI and HPC device applications.

PBT grew nearly tenfold year-on-year to S$38.2 million, while PBT margin expanded 13.4 percentage points to 15.5%. Net profit rose from S$3.2 million in 1H2025 to S$30.8 million in 1H2026, representing a net profit margin of 12.5%, up 10.8 percentage points year-on-year. The improvement was supported by a more favorable revenue mix driven by higher TCS contribution, better fixed-cost absorption at higher volumes, and greater operating leverage.

Segment Performance

Revenue from the TCS segment grew 52.5% year-on-year to S$180.9 million in 1H2026, representing 73.2% of Group revenue. Growth was led by the deployment of AEM's test solutions for advanced AI / HPC applications, where demand is intensifying for highly parallel test solutions featuring leading thermal-control capabilities. As a result, the Group's fabless AI / HPC customer became its largest revenue contributor for the period.

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The Contract Manufacturing ("**CM**") segment continued to play a strategic role in supporting the Group's growth by providing supply-chain assurance for the ramp of the AMPS platform. Inter-segment revenue increased 363.6% year-on-year as CM prioritized support for the TCS equipment ramp, improving production equipment utilization and contributing to stronger Group margins. The CM segment reported external revenue of S$63.2 million in 1H2026, representing 25.6% of Group revenue. External revenue decreased 5.7% year-on-year, mainly due to softer external demand from oil and gas customers. The higher level of inter-segment sales reinforced CM's strategic role within the Group and supported improved segment margins.

Balance Sheet & Cash Flow Highlights

Balance Sheet Highlights (S$ '000)	30-Jun-26	31-Dec-25	Change (%)
Inventories	265,549	226,969	*17.0*
Trade and other receivables	167,275	133,757	*25.1*
Cash and cash equivalents	82,657	77,334	*6.9*
Total assets	**712,862**	**621,603**	***14.7***
Trade and other payables	100,934	67,640	*49.2*
Loans and borrowings	26,091	16,374	*59.3*
Total liabilities	**170,680**	**122,279**	***39.6***
Total equity	**542,182**	**499,324**	***8.6***
Net asset value per share (Singapore cents)	168.1	157.0	*7.1*
Debt / Equity	0.05x	0.03x	-

As at 30 June 2026, the Group maintained cash and cash equivalents of S$82.7 million and a low debt-to-equity ratio of 0.05x. This balance sheet provides the Group with the financial flexibility to support customer program ramps, ongoing R&D initiatives, and capital allocation priorities, including an interim dividend of 2.4 cents per share.

Total equity increased 8.6% to S$542.2 million, while net asset value ("**NAV**") per share rose 7.1% to 168.1 Singapore cents. Inventories and trade receivables increased in line with higher revenue and operating activity. The Group continues to manage working capital while investing in its growth priorities and customer engagements.

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Outlook

The Group has raised its FY2026 revenue guidance to S$630 million to S$680 million from S$550 million to S$600 million. The revision is supported by the production ramp-up of its fabless AI / HPC customer, the PC / Foundry customer's adoption of the AMPS platform for future test requirements, and the planned shipment of the first memory final test handler in 4Q2026 ahead of a ramp in 2027. Alongside this revenue guidance, the Group is guiding full-year EPS to be in the range of 24.5 to 27.5 cents. Management remains confident in the Group's growth trajectory while continuing to monitor customer demand visibility, program ramps, and macroeconomic conditions.

The Group is also encouraged by the performance of its device specific configurables and collaterals, which reached S$72.3 million in 2Q2026, up 12.6% from 1Q2026. Under AEM's "razor-razorblade" model, a one-time sale of its test and automation equipment can generate recurring follow-on sales of device specific configurables and collaterals that must be refreshed as customers introduce devices with new test requirements. As product ramps mature, the Group expects this recurring revenue stream to become an increasingly important contributor to margin resilience and earnings.

Test equipment sales are projected to rise to US$15.3 billion in 2026 and reach US$20.8 billion by 2028, with test accounting for around 9% of total semiconductor equipment spending through the forecast horizon.[1] This expansion is being driven by rising test intensity in AI accelerators, memory stacks, and heterogeneous chiplet architectures, supporting a favorable long-term growth outlook for AEM's advanced semiconductor test solutions.

AEM's Chief Executive Officer, Samer Kabbani, commented, "We continue to see sequential growth in both revenue and PBT, reflecting the strength of our offerings as AI and HPC reshape the requirements and economics of test. As devices become more complex, more power-dense, and harder to test, customers are increasingly focused on optimizing the cost of test

[1] Semi: Global Semiconductor Equipment Sales Forecast to Reach a Record $229 billion in 2028

and are turning to precise thermal control, highly parallel testing, and full-stack integration – capabilities in which AEM holds a competitive advantage."

"Against this backdrop, we are advancing our growth strategy across five pillars: (i) PC/Foundry, (ii) AI/HPC, (iii) Memory, (iv) OSATs, and (v) Contract Manufacturing. With meaningful contributions from the first two pillars and our long-term partnership with ASE, AEM is well positioned to drive growth through the remainder of 2026 and beyond."

About AEM Holdings Ltd.

AEM is a global leader in test innovation. We provide the most comprehensive semiconductor and electronics test solutions based on the best-in-class technologies, processes, and customer support. AEM has a global presence across Asia, Europe, and the United States. With manufacturing plants located in Singapore, Malaysia (Penang), Indonesia (Batam), Vietnam, and Finland (Lieto), South Korea, and the United States (San Diego) and a global network of engineering support, sales offices, associates, and distributors, we offer our customers a robust and resilient ecosystem of test innovation and support.

AEM Holdings Ltd. is listed on the main board of the Singapore Exchange (Reuters: AEM.SI; Bloomberg: AEM SP). AEM's head office is in Singapore.

Issued for and on behalf of AEM Holdings Ltd.

By Financial PR Pte Ltd

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